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SUBJECT: AMBASSADOR MEETS WITH THE DANISH PM - COP-15 THE TOP PRIORITY, HOPES FOR POTUS PARTICIPATION

Classified By: Ambassador Laurie S. Fulton, Embassy Copenhagen, Reason: 1.4 (B) and (D)

11. (C) Summary: During the course of an extended meeting with the Ambassador on August 26, Danish Prime Minister Lars-Lokke Rasmussen praised the state of U.S.-Denmark relations, welcomed US leadership on climate change negotiations and said that COP-15 was "at the top of my political agenda." The PM praised the President's role in the negotiations, and pitched strongly for POTUS participation at the climate change conference in Copenhagen in December. He expressed intense interest in the progress of U.S. domestic climate and energy legislation, and asked about prospects for the U.S. economy. As had his Foreign Minister the day before, the PM expressed great satisfaction with U.S.-Danish cooperation in Afghanistan, and noted that U.S. policy was "very much in line with our own thinking." The PM sought an overview of the Ambassador's priorities in Denmark, and offered his support for initiatives to increase exchanges (particularly between Danish and American youth and young adults), leverage new technology to facilitate communication, and involve women in global security issues. As a measure of the value Denmark attaches to its relationship with the United States, PM Rasmussen was accompanied at the meeting by his Chief of Staff, National Security Advisor and chief climate change negotiator. In a subsequent call, the climate negotiator (Bo Lidegaard), who had left the meeting early, informed the Ambassador of the PM's request for a bilateral with the President on the margins of the MEF in Washington in September. Lidegaard also to  $\bar{l}d$  the Ambassador that Rasmussen had been invited to address a U.S. Chamber of Commerce event on climate change, also in Washington, on September 21, but that politically, the PM cannot do the latter without doing the former. End Summary.

## COP-15 - The Most Pressing Issue

Danish Prime Minister Lars-Lokke Rasmussen, flanked by his Chief of Staff, National Security Advisor and chief negotiator on climate change, received the Ambassador for an introductory call on August 26. The PM spoke warmly about the quality of the U.S.- Danish bilateral relationship, and noted that the Ambassador's Danish heritage would certainly strengthen these ties. Reviewing quickly the increasing business links between the United States and Denmark, as well as cooperation in Afghanistan, PM Rasmussen moved immediately to COP-15, an event which he termed "at the top of my political agenda." The PM said he was encouraged by the President's leadership on climate change, and while Denmark was proud of the progress it had made in reducing its reliance on fossil fuels, "President Obama is the most important figure in this process." He added that Denmark intended the use the UN High Level Event in New York in September to invite world leaders to Copenhagen for COP-15 in December. Asking if the Ambassador could give him "some indication" about the President's plans for COP-15, the Prime Minister underlined that an "ambitious agreement" in Copenhagen would not be possible without the participation of POTUS. Rasmussen concluded that Denmark fully understood that the presence of leaders from the U.S., China and Brazil would not be likely if prospects for success in Copenhagen

- 13. (C) The Ambassador replied that it is premature to discuss the President's participation in COP-15. She praised the PM's remarks at the Rome MEF event, and noted Special Envoy Todd Stern's role in moving the climate negotiations forward. For the United States, she added, a global solution is the key, and she agreed that Chinese, Brazilian and Indian participation in the process is essential. Highlighting the links to the U.S. domestic energy and climate policy agenda, the Ambassador said that while the Waxman-Markey bill had passed the House, the legislation "will not get any better in the Senate." Honing in on this, the PM asked for the timetable for moving the bill through Congress, to which the Ambassador replied that while many in Congress are committed to passing climate legislation this fall, it is impossible to say at this stage whether it would pass before December. issue of high-level participation aside, the Ambassador briefed the PM on the expected large U.S. delegations, from both the Executive branch and the Congress, for COP-15. She also suggested that Denmark's road to energy self-sufficiency, particularly the development and integration of renewables, offered opportunities for the United States to learn from the Danish experience.
- 14. (C) Returning to Denmark's hopes for the engagement of senior leaders in Copenhagen in December, the PM said that a successful climate agreement is his most important issue, and that while Environment Ministers could debate the technical details and Ministers of Finance could seek agreement on allocations to developing countries, only "senior political leaders" could broker a deal at COP-15. Climate Advisor Bo Lidegaard added that Denmark wished to work in close collaboration with the U.S. team, and suggested that the real challenge in the near-term was to develop a framework for an agreement with a range of political outcomes. In this regard, Lidegaard looked forward to his upcoming meetings in Washington with S/E Stern.
- 15. (C) In a subsequent call from Lidegaard to the Ambassador, the PM's climate change advisor noted that Rasmussen hopes for a bilateral with POTUS on the margins of the September MEF in Washington. Understanding the many requests for bliateral meetings with POTUS, Lidegaard pushed for this one so that the PM and the President can directly exchange views on COP-15. Additionally, the U.S. Chamber of Commerce (USCC) has invited the Danish Prime Minister to address its conference on climate change in Washington on September 21. Lidegaard said that the USCC meeting is a follow-on to a similar session in Copenhagen in February to focus on business concerns related to climate change proposals. While the PM found the previous meeting to be helpful, "politically," he cannot accept that invitation without a bilateral meeting with POTUS.

## ...and the U.S. Economy?

¶6. (C) Turning to the global financial crisis, Prime Minister Rasmussen asked about the outlook for the U.S. economy. Lamenting that his government had just finalized its budget, with the largest projected deficit (4.8 percent of GDP) since the 1970s, Rasmussen said that Danes were all hoping for signs of an upturn, and had followed with interest the latest figures from the United States and Germany. "Has there been a fundamental change?" Ambassador noted that the U.S. was optimistic, despite our own deficit projections for 2010. The President's decision to reappoint Bernanke for another term as Fed Chairman had been seen in positive terms in the U.S., and American banks had reduced restrictions on the flow of credit. The PM noted that Denmark had weathered the crisis, largely due to the government's move to reduce taxes, its commitment to public investments ("half of our work force is in the public sector"), and traditionally low unemployment rates. Still, he said the Danish public was worried, as evidenced by low rates of consumer spending.

## POTUS to the IOC?

¶7. (C) Introducing a discussion of the late September/early October IOC Congress in Copenhagen (which will decide the host city for the 2016 Summer Games), the PM asked about rumors the President will attend. The Ambassador said that we hoped for a high profile representative to support Chicago's bid for the Games, but that no firm decision had been taken. After a discussion of the relative chances of Chicago and Rio, the PM smiled and said that the President "would be most welcome twice." "If I had a choice, I would prefer that he come to the one in December." Responding to a question about whether a POTUS trip to Copenhagen for the IOC would rule out a second visit in December, the Ambassador replied that the two events were not linked in the U.S.view, and cautioned that the President's September calendar included an ambitious domestic agenda.

Afghanistan, Pakistan and CT Cooperation

¶8. (C) On Afghanistan, PM Rasmussen praised the U.S.- Danish cooperation in Helmand Province. He cast the President's decision to step up U.S. troop levels as a very positive signal, and noted that the U.S. "Af-Pak approach was very much in line with our own thinking." The PM said his government needed to maintain public support for its Afghanistan policy. Referring to the high per capita casualty rate among the Danish forces in Afghanistan, the PM said, "we are not used to seeing young men return home in coffins," adding that such images had a powerful psychological effect on the Danish public. The Ambassador congratulated the PM for the strong support of all major political parties for Afghanistan and the new 5-year defense plan. The PM said that Denmark's traditional consensual approach to foreign policy contributed to continued Danish support for the war, but he noted that the new U.S. policy in the region was very helpful to his government in outlining the stakes for the average Dane. The PM agreed with the Ambassador's comment that U.S.-Denmark intelligence and counter-terrorism cooperation was important, noting that the post-9/11 world made such cooperation "unfortunately important." In conclusion, the Ambassador expressed the appreciation of the U.S. government and the American people for Denmark's role in Afghanistan and beyond.

Exchanges, Technology, Outreach and Youth

19. (SBU) Invited to share her priorities for her mission in Denmark, the Ambassador briefed the PM on the importance she attaches to public diplomacy, outreach to Danes from all walks of life, increasing exchanges between the United States and Denmark using new technology, particularly between youth and young adults, and to involving women in discussion of global security issues. The PM welcomed the Ambassador's agenda, and offered his support, expressing a keen interest in expanding contact between U.S. and Danish young people, including through web-based technologies, and identified Education Minister Haarder as one who would be interested.

Comment:

110. (C) Prime Minister Lars-Lokke Rasmussen made clear he values the U.S.-Danish relationship, and as he heads into his first full parliamentary session as head of government, he made equally clear that he hopes his political standing will be bolstered by an agreement on climate change in Copenhagen in December. If the Danes are hopeful the U.S. can deliver a deal, they understand the challenges in the coming months, the link between success in Copenhagen and the U.S. domestic agenda, and the critical role that the major developing

countries have to play in the process.

FULTON